

806 KAR 17:250. Notification requirements for drug benefits.

RELATES TO: KRS 304.17A-505, 304.17A-535

STATUTORY AUTHORITY: KRS 304.2-110(1), 304.17A-565

NECESSITY, FUNCTION, AND CONFORMITY: KRS 304.2-110(1) authorizes the commissioner to promulgate administrative regulations necessary for or as an aid to the effectuation of any provision of the Kentucky Insurance Code, as defined in KRS 304.1-010. KRS 304.17A-565 requires the commissioner to enforce and carry out the provisions of KRS 304.17A-500 to 304.17A-570 by promulgating necessary administrative regulations. This administrative regulation establishes notification requirements of a managed care plan if a prescription medication is removed from its drug formulary, a supply amount of a prescription is changed, or prior authorization is added for a prescription medication.

Section 1. Definitions. (1) "Drug formulary" means a list of prescription medications preferred for use by a managed care plan and dispensed through a participating pharmacy to an enrollee.

(2) "Enrollee" is defined in KRS 304.17A-500(5).

(3) "Maintenance prescription medication" means a prescription drug

(a) For which a managed care plan receives no less than:

1. Three (3) claims for a thirty (30) day supply within a four (4) month period of time; or
2. One (1) claim for a ninety (90) day supply within a six (6) month period of time, including a mail order prescription; and

(b) That is required for maintenance therapy as determined by the prescribing provider.

(4) "Managed care plan" is defined in KRS 304.17A-500(9).

Section 2. Notification Requirements. (1) A managed care plan shall provide advance written notice to an enrollee of the following changes:

(a) The removal of a maintenance prescription medication from its drug formulary;

(b) A change that restricts or reduces the quantity or dosage of a prescription medication supplied when a prescription is filled; or

(c) A requirement for prior authorization of a prescription medication is added.

(2) A written notification pursuant to subsection (1) of this section shall be mailed to an enrollee:

(a) At least thirty (30) but no more than sixty (60) days prior to the effective date of a change as listed in subsection (1)(a), (b), or (c) of this section for an enrollee who is dispensed a prescription for the drug within six (6) months prior to the notification date; and

(b) Within thirty (30) days following the effective date of a change as listed in subsection (1)(a), (b), and (c) of this section for an enrollee who is dispensed a prescription for the drug after the notification date required by paragraph (a) of this subsection of this section.

(3) A written notification pursuant to subsection (1) of this section shall include:

(a) A clear explanation of the action being taken by the managed care plan;

(b) The name and phone number of a contact person to answer questions; and

(c) A description of the exceptions policy to the drug formulary pursuant to KRS 304.17A-535(4). (27 Ky.R. 2007; Am. 2539; 2781; eff. 4-9-2001; 34 Ky.R. 651; 985; eff. 12-7-2007; Crt eff. 2-26-2020; TAm eff. 3-10-2020.)